

DEBT CAPACITY ANALYSIS (1)

**FY05-10 Capital Improvements Program
COUNTY EXECUTIVE RECOMMENDED WITH PSP ASSUMPTIONS MARCH 25, 2004**

	GO BOND 6 YR TOTAL = 1140.0 MILLION				GO BOND FY05 TOTAL = 190.0 MILLION				GO BOND FY06 TOTAL = 190.0 MILLION			
	FY90	FY95	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10		
1 New GO Debt Issued (\$000s)	150,000	100,000	155,000	171,000	190,000	190,000	190,000	190,000	190,000	190,000		
2 GO Debt/Full Value	1.22%	1.43%	1.63%	1.57%	1.54%	1.43%	1.34%	1.26%	1.23%	1.22%		
3 Debt Service + LTL + Short-Term Leases/Expend (GF)			9.46%	9.52%								
4 Debt Service + LTL + Short-Term Leases/Revenues (GF) (2)					9.51%	9.58%	9.06%	8.95%	8.77%	8.64%		
5 \$ Debt/Capita	972	1,302	1,541	1,583	1,669	1,718	1,757	1,784	1,824	1,856		
6 \$ Real Debt/Capita (FY04=100%)	1,286	1,538	1,613	1,583	1,630	1,640	1,638	1,623	1,620	1,611		
7 Capita Debt/Capita Income	2.90%	3.52%	2.86%	2.86%	2.92%	2.90%	2.90%	2.85%	2.82%	2.75%		
8 Payout Ratio	66.80%	70.00%	71.10%	70.68%	70.15%	69.85%	69.66%	69.55%	69.86%	70.25%		
9 Total Debt Outstanding (\$000s)	712,605	1,054,641	1,414,634	1,473,789	1,572,152	1,639,236	1,696,852	1,745,159	1,803,692	1,855,711		
10 Real Debt Outstanding(FY04=100%)	942,608	1,245,521	1,457,048	1,473,789	1,535,305	1,564,825	1,581,861	1,587,214	1,602,002	1,611,148		
11 Note: OP/PSP Growth Assumption (3)					4.6%	5.6%	8.1%	7.6%	4.6%	3.8%		

Notes:

- (1) This analysis is used to determine the capacity of Montgomery County to pay debt service on long-term GO Bond debt, long-term leases, and substantial short-term financing.
 (2) Effective in FY05, the ratio is based on General Fund tax supported revenues and other funding sources in the Debt Service Fund.
 (3) OP/PSP Growth Assumption equals change in revenues from FY04 estimate to FY05 budget for FY05 and budget to budget for FY06-10.

